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A. G. Contract No. KR92-2644-TRD
ECS File: JPA 92-108
Project: RAM 600-2-702/H205901R
Section: SR-51, Shea Blvd. to
Thunderbird Road
Item No.: 868 of the Five-Year
Construction Program
Fiscal Year 1996-1997

AGREEMENT
BETWEEN
THE STATE OF ARIZONA
AND
THE CITY OF PHOENIX

THIS AGREEMENT is entered into 19 November, 1992,
pursuant to Arizona Revised Statutes, Section 28-108, between
the STATE OF ARIZONA, acting by and through its DEPARTMENT OF
TRANSPORTATION (the "State") and the CITY OF PHOENIX, acting by
and through its CITY COUNCIL (the "City").

I. RECITALS

1. The State, through the Director, is empowered by
Arizona Revised Statutes Section 28-108 and 28-1594.01(A) to
enter into this agreement and has delegated to the undersigned
the authority to execute this agreement on behalf of the State.

2. The City is empowered by Arizona Revised Statutes
Section 48-572 and City Charter Chapter 2 Section 2 to enter
into this agreement and has authorized the undersigned to
execute this agreement on behalf of the City.

3. Incident to the future construction of the Squaw Peak
Freeway (SR 51) contemplated by the State between Shea
Boulevard and Thunderbird Road, the State has programmed \$22.7
million for the cost of right-of-way acquisition during State
fiscal year 1996 - 1997. For the benefit and convenience of
the affected residents, the City desires to advance the State
\$15 million at no interest to accelerate the acquisition
schedule of willing-seller owner-occupied single-family homes.

NO. <u>17318</u>
FILED WITH SECRETARY OF STATE
Date Filed <u>01/11/93</u>
<u>Richard H. Hickey</u> Secretary of State
By <u>William D. Brown</u>

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4. It is understood by both parties to this agreement, the funds advanced to the State by the City shall be prioritized to be expended for costs incurred to acquire at market value, owner-occupied single-family homes between Shea Boulevard and Cactus Road. Any funds remaining after completing acquisition negotiations aforementioned, shall be expended secondly for costs incurred to acquire at market value, owner-occupied single-family homes between Cactus Road and Thunderbird Road.

5. Said costs for acquisition shall include market value of the property; closing; rental preparation; relocation and demolition.

THEREFORE, in consideration of the mutual agreements expressed herein, it is agreed as follows:

II. SCOPE OF WORK

1. The City will:

a. Upon execution of this agreement, establish an interest bearing escrow account at the Arizona State Treasurer's Office, with an initial deposit of \$1 million. Authorize the State Treasurer to accept requests to disburse funds to a designated representative of the State on an as needed basis, for the cost of acquisition, as described in Section I, paragraph 5 above.

b. Be responsible for assuring the escrow account balance is adequate to meet the projected acquisition scheduled cash-flow requirements. The maximum amount to be deposited by the City within an 18 month time period from the date of execution of this agreement, will be \$15 million.

c. Be responsible for assuring the escrow account balance does not go below \$200,000.00.

d. Retain all ownership rights to interest earned on the escrow account.

2. The State will:

a. Acquire the properties in accordance with normal operating procedures, however, upon reaching an impasse on acquisition negotiations, withdraw the offer to purchase and not proceed with condemnation under its power of eminent domain until such time it deems necessary.

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b. Provide the City on a monthly basis a detailed accounting of expenditures. In addition, submit to the City on a monthly basis, a projected acquisition schedule and cash requirement for the next 30 days after the current months acquisition, in order for the City to replenish the escrow account.

c. Within sixty (60) days after the completion of acquisitions, provide written authorization to the State Treasurer's Office to terminate the escrow account.

d. For the the repayment of funds advanced by the City for Squaw Peak right of way, deduct \$15 million from net funds available to the Maricopa Regional Area Road Fund, prior to recommending to the Transportation Board the budget for any other expenditures from the Maricopa Regional Area Road Fund, for the State fiscal year 1996-97. Net funds available is defined as total funds available for the Maricopa Regional Area Road Fund less bond debt service on bond debt payable from taxes deposited in the Maricopa Regional Area Road Fund, payments to the Regional Public Transit Authority, and any other legislative mandated expenditures.

e. Beginning August 1996, pay to the City \$750,000 per month until a total of \$7.5 million has been paid. The remaining \$7.5 million will be applied to the City's share of the cost of the interim Outer Loop (101L) between I-17 and 56th Street in fiscal year 1996-97; provided however, that if construction of the interim Outer Loop (101L) has not commenced by 1 June 1997, the remaining \$7.5 million shall be repaid to the City by the State on or before 30 June 1997.

III. MISCELLANEOUS PROVISIONS

1. The obligations of the State under this agreement shall be payable from the Construction Account and Bond Proceeds Account in the Maricopa County Regional Area Road Fund and pursuant to Arizona Revised Statutes, Section 28-1594.01(A), the State hereby obligates monies in such Construction Account and Bond Proceeds Account for such purposes.

2. This agreement shall remain in force and effect until completion of said acquisitions and repayment; provided, however, that this agreement may be cancelled at any time, upon thirty (30) days written notice to the other party. Upon such cancellation, any monies which have been expended will be remitted in conformance with paragraph e above until the amount advanced to the State has been repaid to the City.

3. This agreement may be cancelled in accordance with Arizona Revised Statutes Section 38-511.

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4. The provisions of Arizona Revised Statutes Section 35-214 are applicable to this contract.

5. In the event of any controversy which may arise out of this agreement, the parties hereto agree to abide by required arbitration as is set forth for public works contracts in Arizona Revised Statutes Section 12-1518.

6. All notices or demands upon any party to this agreement shall be in writing and shall be delivered in person or sent by mail addressed as follows:

Arizona Department of Transportation
Joint Project Administration
205 South 17 Avenue, Mail Drop 616E
Phoenix, AZ 85007

City of Phoenix
City Manager
251 West Washington Street
Phoenix, AZ 85003

IN WITNESS WHEREOF, the parties have executed this agreement the day and year first above written.

CITY OF PHOENIX, a Municipal
Corporation, FRANK FAIRBANKS
City Manager

STATE OF ARIZONA
Department of Transportation

By *Jack Tevlin*
JACK TEVLIN
Deputy City Manager

By *James S. Creedon*
JAMES S. CREEDON
Acting Director

ATTEST

By *Vicky Miel*
FOR VICKY MIEL, City Clerk

Approved as to form

Philip M. [Signature]
Acting City Attorney

doc.#30
05NOV92

STATE OF ARIZONA
DEPARTMENT OF TRANSPORTATION
HIGHWAYS DIVISION

REQUEST FOR JOINT PROJECT AGREEMENT

Date: 9-28-92 JPA # 92-108
(TO BE FILLED IN BY JPA BRANCH)
TO: JOINT PROJECT ADMINISTRATION
ENGINEERING CONSULTANTS SERVICES (148E) 616E 30
FROM: BARRY R. MORA
(NAME)
R/W SECTION / HIGHWAYS
(DEPT / DIV)
612E / 255-8789
(MAIL DROP / PHONE #)

Project SQUAW PEAK FREEWAY DIST (1) 2 3 4
Five Year Program Item Number 853
Description/Location SHEA BLVD. - THUNDERBIRD RD.
Project Number & TRACS RAM 600-2-702 H205901R
Projected Bid Date? _____
Type: Drain/ Hwy/ Hwy Maint/ Landscape (ROW) Sig Main/ Utility/ Other
Agreement will be with: CITY OF PHOENIX
(city/county/etc)
Point of Contact: BOB BORTFELD
(name/title)
Address: 125 E. WASHINGTON ST.
Telephone: 495-5817
Cost to ADOT: \$15 million (later) Cost to Other: \$15 million (now)
Cost Estimate Total: \$15 million copy attached? _____
Scope of Work: RIGHT OF WAY ACQUISITION -
acquire owner-occupied, single-family residential
properties located within proposed corridor between
Shea Blvd. - Thunderbird Rd. on a voluntary basis.
(Provide complete project details)